

HDFC securities Retail Research

Currency Daily

29 May 2024



Currency Movements

Name	Current Price	Previous Close	Change	% Change
USDINR	83.181	83.139	0.043	0.05%
DXY Index	104.68	104.61	0.07	0.07%
EURUSD	1.0852	1.086	-0.001	-0.05%
GBPUSD	1.2757	1.276	0.000	-0.04%
USDJPY	157.24	157.17	0.070	0.04%
USDCNH	7.2643	7.264	0.001	0.01%
US 10 Yr. Yield	4.552	4.550	0.002	0.04%
USDINR 1M FWD	83.28	83.27	0.01	0.01%
India 10 Yr. Yield	6.996	7.033	-0.037	-0.53%

Global Equity Markets

Name	Current Price	Previous Close	Change	% Change
Nifty	22888	22932	-44	-0.19%
Sensex	75170	75391	-220	-0.29%
Hang Seng	18578	18821	-243	-1.29%
Nikkie	38703	38855	-153	-0.39%
Shanghai	3123	3110	13	0.43%
S&P Index	5306	5305	1	0.02%
Dow Jones	38853	39070	-217	-0.55%
Nasdaq	18869	18808	61	0.32%
FTSE	8254	8318	-63	-0.76%
CAC	8058	8132	-75	-0.92%
DAX	18678	18775	-97	-0.52%

Market Roundup

- ▶ The Indian rupee is expected to open slightly lower following recovery in the greenback against major currencies. The higher crude oil prices, risk-averse sentiments and foreign fund outflows could weigh on the local rupee ahead of General Election results.
- ▶ On Tuesday, spot USDINR gained 4 paise to 83.18. Technically, it has been holding the support at 83 and getting resisted at 83.30. The bias remains bearish as long as it trades below 83.30.
- ▶ *China's yuan slid to the lowest since November amid signs policymakers are letting the currency drop against a resilient dollar.*
- ▶ **Forex:**
 - The dollar turned higher, tracking higher Treasury yields after weak auction results and an unexpectedly strong US consumer confidence reading. The 10-year US Treasury yield is up eight basis points at 4.54% with the rise also fueled by higher oil prices.
 - US Consumer confidence unexpectedly rose in May for the first time in four months. Home price growth in 20 major cities accelerated to 7.4% on an annual basis in March.
 - Minneapolis Fed President Neel Kashkari said the US central bank's policy stance is restrictive, but policymakers haven't entirely ruled out additional interest-rate increases. Swap contracts are currently pricing in around 30 basis points of Fed rate cuts for all of 2024 – which equates to one reduction.
 - The European Central Bank is increasingly confident of bringing consumer-price growth back to 2% next year and can loosen its “historically tight” monetary policy step by step, Governing Council member Klaas Knot said.
- ▶ **Equities:**
 - Asian stocks traded lower Wednesday as traders assessed the impact of the jump in US Treasury yields overnight and comments from a Federal Reserve speaker led to receding bets for Fed rate cuts.
- ▶ **Commodities:**
 - Oil extended gains as another attack in the Red Sea added to heightened geopolitical tensions in the Middle East ahead of an OPEC+ meeting on the weekend.

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